



DEBRA K. DAVENPORT, CPA  
AUDITOR GENERAL

STATE OF ARIZONA  
OFFICE OF THE  
**AUDITOR GENERAL**

WILLIAM THOMSON  
DEPUTY AUDITOR GENERAL

July 7, 2006

The Honorable Tom Horne  
Superintendent of Public Instruction  
Arizona Department of Education  
Executive Officer  
Arizona State Board of Education  
1535 West Jefferson Street  
Phoenix, AZ 85007

**Subject: Santa Cruz Valley Union High School District No. 840**

Dear Mr. Horne:

We issued a compliance review report on October 28, 2005, informing Santa Cruz Valley Union High School District No. 840 that it had not complied with the *Uniform System of Financial Records* (USFR). Recommendations to correct the deficiencies were described in our report. The District was given 90 days to implement the recommendations in our report.

We subsequently performed a status review of the District's internal controls as of March 9, 2006. The purpose of our status review was to determine whether the District was in substantial compliance with the USFR as of the date of our review. Our review consisted primarily of inquiries and selective testing of accounting records and control procedures. The review was more limited in scope than would be necessary to express an opinion on the District's internal controls. Accordingly, we do not express an opinion on its internal controls or ensure that all deficiencies were disclosed.

Based on the number and nature of the deficiencies noted in our status review and our review of the June 30, 2005, audit reports and USFR Compliance Questionnaire, which we received subsequent to the completion of our test work, we determined that Santa Cruz Valley Union High School District No. 840 still has not complied with the USFR. Therefore, we request that the Arizona State Board of Education take appropriate action as prescribed by Arizona Revised Statutes §15-272. The District's deficiencies and our recommendations are described in the enclosed status review report issued June 29, 2006, notifying the District of its continued noncompliance.

The Honorable Tom Horne

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If you have questions concerning this matter, please call Magdalene Haggerty, Accounting Services Director, or me at (602) 553-0333.

Sincerely,

Debra K. Davenport  
Auditor General

DKD/MH/ms

Enclosure

cc/enc: Governing Board

Mr. Gene Bichekas, Superintendent

Santa Cruz Valley Union High School District No. 840

The Honorable Jack W. Harmon, Pinal County School Superintendent

Mr. Vince Yanez, Executive Director

Arizona State Board of Education

Ms. Vicki G. Salazar, Associate Superintendent of Financial Services

Arizona Department of Education